



Reserve Planning YOUR Way!

An Introduction to uPlanIt!

By Robert M. Nordlund, PE, RS

June 10, 2020

www.ReserveStudy.com

Miss the webinar? Watch it [here](#) (actual demo begins at 6:42)

At Association Reserves, we want our clients to thrive and plan for an improved future. To do this, boards need to have pertinent information about the common areas they are responsible to maintain, the size of their Reserve Fund, and the Reserve contributions necessary to perform their repair and replacement projects in a timely manner.

But all too often boards receive a Reserve Study and wonder “what if?”, and with questions in their mind they “drop the baton” and fail to implement their Reserve plan. Since we’re always interested in ways we can help turn a *completed Reserve Study* into a *successful Reserve plan*, we created a new interactive online tool we call uPlanIt.



We believe uPlanIt is going to revolutionize the way you work with a completed Reserve Study.

uPlanIt is designed to empower the board to engage with the completed Reserve Study, for the benefit of the association. uPlanIt allows managers and board members to interact with their completed Reserve Study *in real time*, testing changes to component life and cost factors, adding or deleting components, testing and reviewing the impact of a different starting balance, or finding out what happens with a different Reserve contribution rate. No

more guessing or assuming. Boards and managers can now test and validate the impact of all their Reserve expense and funding ideas. Results are available in an assortment of insightful charts & tables. With uPlanIt, your Reserve Study comes “alive”, and the power to control your property’s physical & financial future is in your hands!

Some key benefits:

uPlanIt is available **free** with every completed Association Reserves Full, Update With-Site-Visit, or Update No-Site-Visit Reserve Study.

uPlanIt is available for a nominal **\$149/year** subscription to all other associations.

uPlanIt is accessible online, right next to your completed Reserve Study. Log in to our Client Center to see your completed Reserve Study, and uPlanIt is right there!

uPlanIt follows National Reserve Study Standards in all calculations and presentation of results (4 Charts & 15 Tables).

With uPlanIt, enjoy 24-7 access to your Reserve plan in *real time*, even in (especially in!) the middle of a budget planning meeting!

One centralized online location for your Reserve plan provides continuity for your association from year to year, and board to board.

For additional information on uPlanIt, including a short (3:23) video overview of uPlanIt, please visit www.ReserveStudy.com/uPlanIt

Brought to you, for you, by Association Reserves.



www.ReserveStudy.com

WEBINAR QUESTIONS ASKED BY ATTENDEES

Q: Why does uPlanIt have a timeout feature?

A: uPlanIt is designed to help boards work with their Reserve Study, enhancing the Reserve Study experience. Having uPlanIt functioning through an associations' "budget season" (and even a bit longer) accomplishes that objective. Were we to leave it functional longer, some might be tempted to use uPlanIt to update their Reserve Study. But updating a Reserve Study is not for the faint of heart and is not the purpose of uPlanIt. Updating a Reserve Study takes a significant amount of time, and there are a number of ways in-house updates can go awry. We feel it would not lead to good results, and it would frustrate the client in the process, leaving a bad taste in their mouth. So uPlanIt "times out" before a client is tempted to tackle a task they for which they are likely not well suited.

Q: Why isn't this tool available at any time?

A: Because different associations have different Fiscal Year Ends (December, June, September, January, February, etc.), access needs to be associated with the association's Fiscal Year End, not a calendar year "subscription". Fundamentally, uPlanIt is designed to be usable throughout an association's entire budget planning season. Like a bathing suit or snowboard, uPlanIt usage is expected to be seasonal.

Q: For the \$149 subscription, is that available the entire year?

A: As stated previously, uPlanIt is available throughout your association's entire budget season.

Q: Would you explain further what the limited time of use is about? Sounds like it is only useful for about 3 or 4 months before the start of the year?

A: Budgeting is seasonal, and we expect uPlanIt usage to be seasonal. Commonly we finish a Reserve Study a few months prior to their Fiscal Year End, when the board is working on their Reserve & Operating budgets. That is exactly when uPlanIt is functional... from the day the Reserve Study is completed through three months into the next Fiscal Year. *That means uPlanIt is likely accessible between four and nine months.* Before the Reserve Study is completed, uPlanIt is not populated with data, or contains outdated data (useless either way). After three months into the next Fiscal Year, it is time for the association to think about their next update, not continuing to tinker with last year's now outdated Reserve plan. That's why we describe uPlanIt as functioning for the association's budget season.

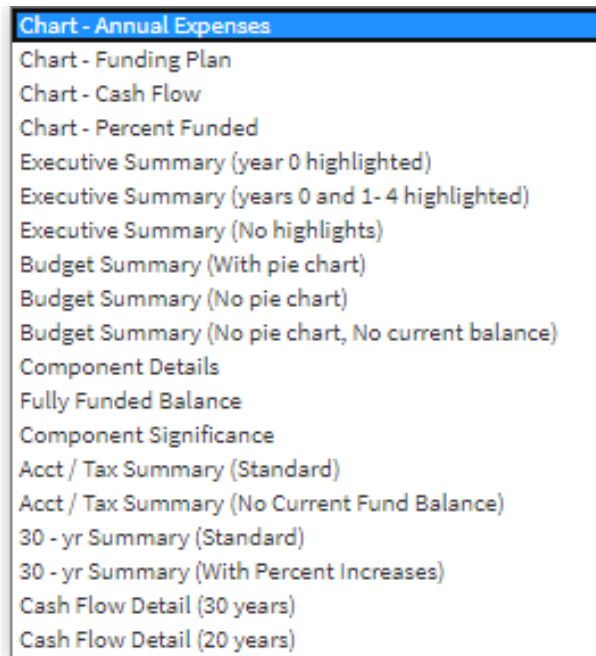
- Q: Can we purchase uPlanIt access for a year (\$149) and use it to do our own in-house update?**
- A: uPlanIt was not designed to create Reserve Studies from scratch or as a means to update an expired Reserve Study. The deliverables of this tool are an assortment of charts & tables, not a "Reserve Study". For clients with the *time and courage* to create or update all the component information, a \$149/yr subscription will provide users with access to this powerful tool so they can calculate the Funding Plan necessary to provide for the timely repair and replacement of all the projects on their Component List.
- Q: If we are not current clients, can we pay to use the program?**
- A: Yes! Primarily designed as a tool to be enjoyed by current Association Reserves clients with their completed Reserve Study, enough client feedback prompted us to make this tool available for all other associations. As we've explained, an annual budget-season subscription is \$149/yr.
- Q: Can you use Reserve Studies from other companies in your online uPlanIt calculator?**
- A: Yes. Simply create a subscription account, and then import that existing/current Component List using our importer spreadsheet template.
- Q: What would the cost be to upload another company's reserve study components to utilize the uPlanIt program?**
- A: Just the \$149/yr uPlanIt subscription fee.
- Q: Is the cost per Management Company or per Association?**
- A: The cost is per association, because each association (and board of director) needs their own separate account.
- Q: Is uPlanit access included in our current Association Reserves three-yr Loyalty Update Plan?**
- A: Yes.
- Q: For current Association Reserves customers under multi-year contract (your Loyalty Update Plan), when would we be able to see our Reserve Study in uPlanIt?**
- A: As with every Association Reserves professional engagement, uPlanIt becomes accessible the moment the Reserve Study is completed.

Q: Is the calculation of % funded different if we use the Full Funding method or the Baseline Funding method?

A: No. Please see our Reserve Studies 102 and Reserve Studies 103 webinars [here](#). Percent Funded calculates size of the Reserve Fund. Full Funding and Baseline Funding are two different strategies to fund Reserves, either creating a stronger Reserve Fund, which you get with Full Funding, or a weaker Reserve Fund, which is a consequence of Baseline Funding. Percent Funded is just the benchmark by which one measures progress towards either objective.

Q: Can you show the available Charts & Graphs?

A: Please see below – four charts and fifteen tables:



Q: Can we do the scenario planning options using uPlanIt during the year of the plan?

A: Yes, that's its purpose! If your Reserve Study is for calendar 2021 (beginning 1/1/2021), use uPlanIt to test scenarios throughout the plan's 30-yr period that begins 1/1/2021, such as multi-yr funding plans, special assessments, adjusted component expenditures and timing, etc. Please note... if you are working on your Reserve Study in summer 2020 for your Reserve Study beginning 1/1/2021, you'll have access to uPlanIt as soon as your Reserve Study is completed (or as soon as you create a subscription account), and it will finally time-out on 3/31/2021. After that date, it will be time to begin working on your 2022 Reserve Study, and that will take an updated Reserve Study or another year's subscription to uPlanIt.

Q: How about data security?

A: For 33 years, Association Reserves client information has been private – discussed only between our Project Manager and the client (and people the client designates as authorized). And uPlanIt is no different. Access to uPlanIt is only through our password-protected Client Center. Any imported component information is not “given” to us. All clients are doing is enjoying understanding and working with their completed Reserve Study information using our novel Reserve calculator, on their data.

Q: Being this tool is new, has it been used and validated as efficient and on point for all communities?

A: As mentioned at the introduction to the webinar, uPlanIt was introduced to a gradually growing number of clients in 2019, and for the last year it has been tested and enhanced to the point it is ready for use by all communities of all types and sizes.

Q: Is there a way to pursue a 50%, 70%, or any other Funding Goal other than 100% Full Funding (or Baseline Funding)?

A: Yes. Use our “Full Funding” solver/wizard, and then test gradually smaller Reserve contribution rates until the desired Funding Goal is achieved.

Q: Does uPlanIt account for borrowing money from reserves to pay property Insurance every January that is paid back by the end of the year?

A: If funds are temporarily transferred between Reserves and Operating within the year, it does not affect your Reserve planning (and uPlanIt has no involvement). That is an internal bookkeeping issue.

Q: I'm not clear on how I would import my current study into uPlanIt. It's a pdf file.

A: You'd need to check with your current Reserve Study provider and see if they would provide your components in a spreadsheet file (that you could then copy/paste into our importer file). Otherwise, you'll need to keystroke your component information into our spreadsheet importer file.

Q: If we temporarily sign up as a client for uPlanIt when we don't have our own reserve study, is there a month to month cost with no long-term obligation?

A: No. Access to uPlanIt is for a single annual budget-season subscription of \$149. Currently there is no “monthly access” option.

Q: If you prepared our reserve study last year, can we still use uPlanIt?

A: You can enjoy uPlanIt two ways: by having Association Reserves professionally update last year's outdated Reserve Study, or you can subscribe for a budget season of access for \$149.

Q: Our last Association Reserves report was for our Fiscal 2018. We consider that current. Is uPlanIt still free and accessible?

A: No. See above. There are enough changes on an annual basis that it is prudent to update a Reserve Study annually. uPlanIt is only accessible during the budget season when we were hired for a professional Reserve Study engagement (Full, Update With-Site-Visit, or Update No-Site-Visit). For a Dec 31 Fiscal Year End property, if you hired us summer 2020 for a With-Site-Visit Reserve Study update for the association's 2021 Fiscal Year, you would enjoy uPlanIt all throughout summer/fall 2020, and three months into the beginning of 2021.

Q: A previous board had a reserve study done by you in 2017. Does that mean we already have a client account, with that reserve study available in uPlanIt?

A: You already have a client account, but a Reserve Study that old likely would not appear in uPlanIt. If you created a \$149/yr subscription account, you'd need to import that old component list into uPlanIt.

Q: Can you save these changed Reserve Study plans to present them to your Board?

A: Yes. uPlanIt is designed to allow boards to adjust and customize their Reserve plan for the benefit of the association. No more guessing or wishful thinking... test, save, print, and present!

Q: Would we be able to enter our actual General Ledger (GL) account numbers from our association's chart of accounts into this program?

A: Yes. You can number, or renumber, component #s to match your GL codes.

Q: Once I make changes in the tool, can I always reset to see the original?

A: Yes. Just hit the "reset" button.

Q: How do you create component categories?

A: Import a new Component List file (with one or more components). That will create a new "Chapter" of components that you can rename with an appropriate "category" name.

Q: Can you create a grouping of individual components, say, one room in your clubhouse?

A: Absolutely. See above to create a “Chapter” of grouped components. The grouping could be different components in a particular location, or you could create a grouping of similar components in different locations. You are limited only by your imagination of what you believe to be the clearest presentation for your board, committee, or homeowners.

Q: How tough is it to add one or more new components?

A: It is very easy to add a new component in uPlanIt, and that step is clearly demonstrated in the “Components” page video tutorial. Get a sneak preview [here](#).

Q: I have a DIY study from Association Reserves. Will I have access to this tool?

A: No. By definition, Do-It-Yourself Reserve Study Kit users hire an Association Reserves Project Manager to prepare their Funding Plan. Therefore uPlanIt access is not provided in a Do-It-Yourself Kit engagement.

Q: Is there an access profile that allows access to view and print the Tables and Charts but does not allow updates?

A: Not at this time. Whomever has access to uPlanIt can make changes. But remember that uPlanIt access is limited to the Primary Contact and your short list of trusted Privileged Users. Your “View Only” users do not have access to uPlanIt.

Q: Can uPlanIt be accessed by more than one user?

A: Yes. All Primary Contact and Privileged Users of your client center account have access to uPlanIt.

Q: Can you restrict uPlanIt to only Treasurer, not other Board members?

A: Yes. You can give the Treasurer a “Privileged User” credential, and other board members only “View Only User” credentials.

Q: Can you set it up so only one person can make changes that are saved but others can “play with it”?

A: No. All who have access to uPlanIt have the ability to make changes.

Q: Can you save a scenario?

A: Yes. You can both Save, and Print!

Q: Can the Interest % and Inflation Rates be changed by Users?

A: Yes!

Q: Can any of this be downloaded into Excel or into a PDF format for presentation purposes to the homeowners?

A: All charts and tables are prepared in pdf format. In addition, your component list can be exported to a spreadsheet file.

Q: Once we create a plan, save it and print it, then reset back to our original data; how do we get the updated plan back? Do we upload it?

A: Once you reset your plan back to “original”, if you want to restore it, you just retype those figures (the new starting balance, Reserve contribution rate, etc.), matching your printout. If you made extensive changes to your Reserve Component List, we recommend you “export” it to a spreadsheet that you could then copy/paste into our importer tool to restore your custom work.

Q: If you can always go back to original data, when do changes become permanent? Also, are changes tracked by who made them?

A: Changes the user makes are never “permanent”. The user always has the power to reset them. No person tracks your changes, and there is no recorded “version tracking” history.

Q: Is the original always protected? How many saved versions can be saved?

A: The original is always available by pressing the “reset” button. Only one variation can be saved.

Q: If you have multiple components with the same category number. For example we have 100 roads all with the same useful life of say 20 years. Do I have to change each of these roads if I want to change the Useful Life to say 19 years or is there a way to edit them all at the same time?

A: Components can only be edited individually. If you want to make the same change to 100 different components, you’ll need to make 100 different edits.

Q: After I create and adopt a what-if scenario, how is that information obtained by our Association Reserves Project Manager for future updates?

A: Our Project Managers have access to the last saved uPlanIt version. If requested by the user, our Project Manager will reference that uPlanIt case in preparing the following year's update.

Q: How do I go about requesting access to the uPlanIt tool?

A: You can [request a proposal](#) online for a professional Reserve Study (that would include access to uPlanIt) or you can sign up for a subscription at www.reservestudy.com/uPlanIt.

Q: Is there a demo copy of uPlanIt that we can use to get familiar with the product?

A: Not at this time, but you can see an overview [here](#).

Q: On any of the tables, is there a way to differentiate, break-down and display the reserve amount and percentage funded for each component? That way, we would know whether how closely a particular component is fully funded when it approaches its useful life.

A: In the Cash Flow method (utilized by uPlanIt), components do not individually have a "Percent Funded" measurement. There is just one Reserve Fund (and only one Percent Funded). Percent Funded is not calculated for individual components. uPlanIt includes a number of informative tables that show the current target "deteriorated value" (Fully Funded Balance) for each component, and the proportion of Reserve contributions required by each component (to help you know which components are more significant than others).

Q: Do you update the uPlanIt data for annual updates?

A: The data appearing in uPlanIt is refreshed (updated) with every professional Reserve Study engagement.

Miscellaneous Reserve Questions:

Q: Is useful life determined by manufacture warranty, depreciation life based on tax accounting or something else?

A: Useful Life is determined by our Project Managers on the basis of their experience with the asset, its particular material and installation quality, the local weather/environment, expected usage, and with normal maintenance. That experience may be supplemented by an interview with the association's service provider (the Elevator or HVAC service technician...) and national construction guidelines.

Q: What might be the problems caused by just using Baseline Solver funding?

A: Baseline Funding puts the association at high risk of special assessments because of the lack of margin for Reserve projects that occur earlier than planned, or more expensive than planned. See more in our Reserve Studies 102 and Reserve Studies 103 webinar [here](#).

Q: Can you explain the different levels of a reserve study? In other words, after you've updated the original study a few times, are there levels between update and completely new?

A: Yes. Please see [here](#), or our Reserve Study Basics webinar [here](#). Most associations only need one "Full" Reserve Study, which they follow with a combination of "With-Site-Visit" updates and "No-Site-Visit" updates in the following years.

Q: According to FL Statues, projects over \$10,000 need to appear in the Reserve Study. Can I use smaller cost projects as you showed in the demo?

A: Absolutely. FL Statues require *at a minimum* that projects over \$10,000 need to be included in an association's Reserve plan. It is beneficial to most associations to exceed this minimum FL requirement, setting aside Reserves for projects *less than* \$10,000. That is because there are many significant and predictable projects under \$10,000 that will unsettle the Operating Fund when they (predictably!) occur.

Q: What are the pros and cons to overfunding your reserves?

A: I cannot think of a "pro" to overfunding Reserves. The benefit of special assessment risk dropping close to zero occurs between 70% and 100% Funded. Thus the risk of special assessment does not measurably drop any further when you've "overfunded" (gone above 100% Funded). The risk of overfunding is that governing documents typically empower boards to collect "adequate" or "appropriate" Reserves, meaning that the "overfunding" monies received from homeowners could be challenged as

“inappropriate” or even “profit”.

Q: You use an inflation number, right? What is forecast for 3 years?

A: We recommend a backwards-looking, stable, inflation value such as 3%. A Reserve Study is a 30-yr plan, and a plan of that duration should be based on a stable multi-yr inflation rate, not a value that fluctuates from year-to-year.

Q: We have a reserve contingency fund to cover components that are difficult to project, such as concrete repairs, or storm drain maintenance. Is this an improper technique?

A: Reserve funds are to only be used for projects that pass the National Reserve Study Standard four-part test. See [here](#). Typically contingency projects, with unknown cost or timing, fail tests #2 and #3.

Q: Without major changes to the property, how often should the reserve study be updated?

A: We observe that there are enough changes to component condition, component pricing, the starting Reserve balance, and the economic environment, that annual updates are warranted and appropriate.